



State of Utah

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DWS News Release

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UTAH'S EMPLOYMENT SITUATION: March 2006

Utah's seasonally-adjusted unemployment rate for March registered 3.4 percent, down 0.9 percentage points from the unemployment rate of 4.3 percent registered a year ago in March, 2005. Approximately 44,900 Utahns were unemployed in March, 2006 as compared to 54,500 in March, 2005. February's unemployment rate is unrevised at 3.8 percent.

Utah's other primary indicator of current labor market conditions, the year-over change in the number of nonfarm wage and salaried jobs, registered 4.3 percent. Employment growth is remaining in the mid 4-percent range, signaling consistency and sustainability in the Utah economy.

Mark Knold, Senior Economist for the Department of Workforce Services commented, "Utah's employment picture is currently very bright. Jobs are expanding at a rate above our long-term average of 3.3 percent, and there appears to be sustainability in the fundamentals that allowed us to arrive at this point. Population gains, joined with pent-up demand that developed in the first half of this decade, have propelled us to our current situation. Continued population gains have the ability to sustain us for several more years, especially if the overall U.S. economy remains on a positive footing."

Since March 2005, the United States' economy has added 2.1 million new jobs — a growth rate of 1.6 percent. Over the past year, Utah's economy added approximately 48,500 new jobs, a growth rate of 4.3 percent. The Utah additions represent about 2.3 percent of all the new jobs added in the United States over the past year. The United States' unemployment rate registered 4.7 percent in March.

As has been the case throughout most of Utah's current economic expansion, all industrial sectors are contributing to employment growth. This ranges from a high of 11,400 new jobs over the past year in the professional and business services sector, to 900 new jobs in the small category labeled "other services."

With Utah's economy growing at nearly three times the national average, it's helpful to review some of the particulars of this contrast. Although the national growth rate is not particularly high, it is experiencing growth in all of its industrial sectors—with manufacturing the only exception. Manufacturing measured a small decline, while here in Utah it grew by 2.1 percent. Growth in Utah's industries out-performed the pace of growth in all national industrial sectors except for the leisure and hospitality sector. It expanded over the past year at a 2.1-percent rate in Utah, while growing 2.3 percent nationally.

The two fastest-growing sectors in Utah—natural resources and construction—are also the two fastest-growing nationally, although the national rates of growth are much lower than Utah's. Natural resource employment growth is being driven by the oil and gas industry, both here in Utah and nationally. This should come as no surprise given the high price of oil and natural gas. In Utah, natural resource employment grew by 16.6 percent over the past year. Given that this is the smallest of the 11 measured industrial sectors, it translates into an increase of just 1,300 new jobs.

Construction, on the other hand, is a large enough sector in Utah that its growth rate of 12.3 percent translates into a sizeable 9,100-job increase over the past year. Construction has been a key contributor to employment growth over the past two years. A housing boom has been the primary source of this growth. While the national picture is showing signs of slowing, that trend should not apply here in Utah, even though Utah homebuilders and buyers are also sensitive to mortgage interest rates. Utah's population growth supports continued housing demand, and sensibly priced housing has kept the cost-to-income ratio affordable throughout most of Utah.

The professional and business services sector consists of around 150,700 jobs in Utah, or 13 percent of the state's employment base. Nationally, this sector also represents 13 percent of all employment, and it grew by 2.8 percent over the past year. Here in Utah, this sector grew by a more vibrant 8 percent. This sector's growth is distributed nearly equally in both the high-paying professional and technical sector, and the useful and flexible employment and temporary help industry. The difference is that the level of growth in Utah is much higher than what is happening on the national level. Over the past year, this industry has added the most new jobs in Utah—11,400 since March 2005.

Trade, transportation, and utilities added 7,900 new jobs to the Utah economy over the past year, a growth rate of 3.6 percent. Again, this stands above the national growth rate of 1.1 percent. Most of the growth is in trade—both wholesale and retail. This industry represents the most direct avenue and conduit for consumer spending. When people buy things in the economy, in most cases it is through retail outlets. Therefore, the trade aspect of this industry is very population-sensitive. It largely grows in direct response to population growth. And with Utah's population growing at one of the fastest rates in the nation, employment in this industry is expected to be higher in Utah than nationally.

One of the big differences for Utah is its manufacturing sector, which is adding jobs here but is still shedding them at the national level. Utah added 2,400 new manufacturing jobs over the past year—a growth rate of 2.1 percent.

Utah's April employment numbers will be released at 9:00 a.m. on Tuesday, May 16, 2006.

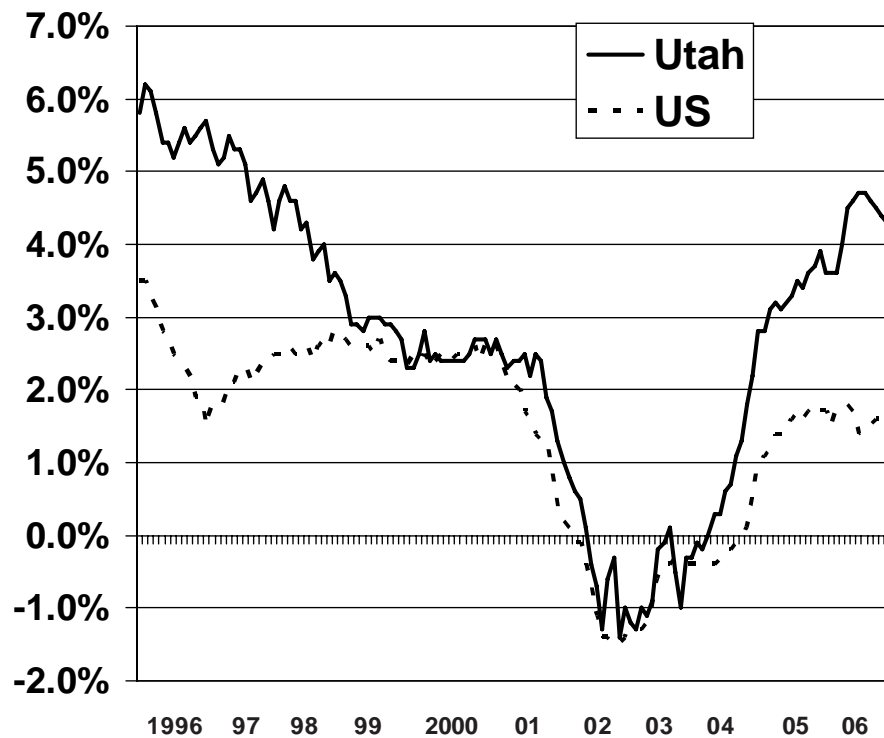
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Utah Nonagricultural Jobs by Industry and Components of the Labor Force

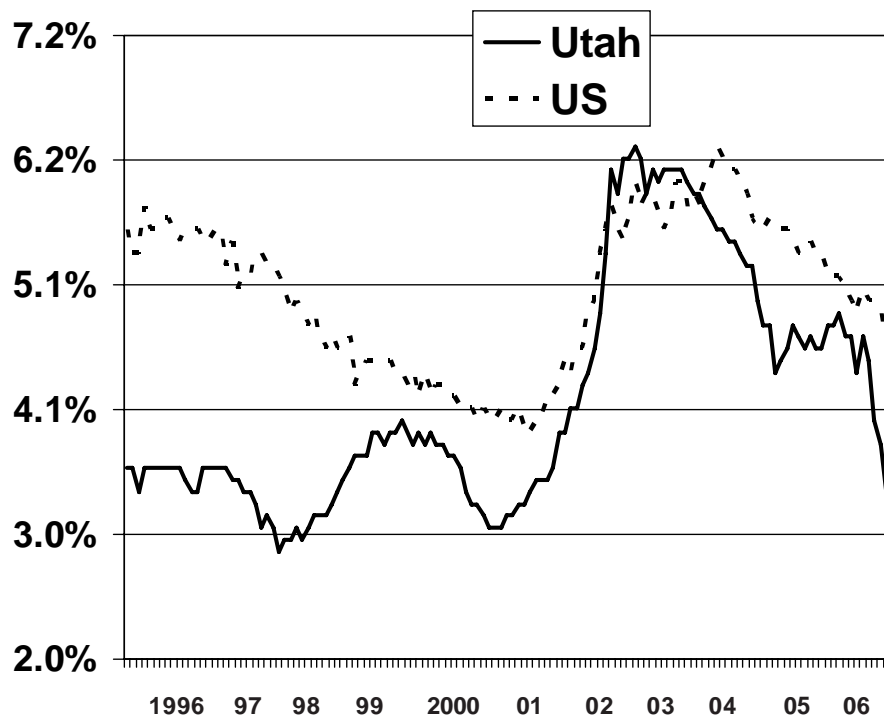
Numbers are in thousands and are <u>not seasonally adjusted.</u>	March(f) 2006	March 2005	Percentage Change	Feb.(r) 2006	Feb. 2005	Percentage Change
CIVILIAN LABOR FORCE	1,294.4	1,247.2	3.8	1,300.3	1,252.1	3.8
Employed	1,248.1	1,190.0	4.9	1,245.8	1,190.2	4.7
Unemployed	46.3	57.2	-19.1	54.5	61.9	-12.0
Unemployment Rate	3.6	4.6		4.2	4.9	
NONAGRICULTURAL EMPLOYMENT (Thousands)	1,176.8	1,128.3	4.3	1,166.8	1,117.6	4.4
GOODS PRODUCING	211.5	198.5	6.5	208.4	195.3	6.7
Natural Resources, and Mining	9.2	7.9	16.6	9.1	7.8	17.4
Construction	83.8	74.7	12.3	81.2	72.0	12.8
Construction of Buildings	18.6	16.5	12.8	18.2	16.1	13.2
Heavy and Civil Engineering	7.6	7.1	6.8	7.2	6.7	
Specialty Trade Contractors	57.7	51.1	12.9	55.9	49.3	13.4
Manufacturing	118.4	116.0	2.1	118.0	115.5	2.2
Durable Goods	79.3	77.5	2.3	79.0	77.1	2.5
Primary and Fabricated Metals	15.4	14.9	3.6	15.3	14.8	3.6
Computer and Electronic Products	11.0	11.0	0.4	11.0	11.0	0.4
Transportation and Equipment Manufacturing	14.4	14.2	1.2	14.4	14.1	1.8
Non-Durable Goods	39.1	38.4	1.8	39.1	38.4	1.7
Food Manufacturing	13.0	13.4	-3.0	13.1	13.5	-3.1
Printing and Related Support Activities	6.8	6.9	-1.2	6.7	6.8	-1.2
SERVICES PROVIDING	965.4	929.8	3.8	958.4	922.3	3.9
Trade, Transportation, and Utilities	228.3	220.4	3.6	227.0	218.8	3.8
Wholesale Trade	44.5	42.2	5.4	44.3	42.0	5.5
Retail Trade	135.0	131.8	2.4	134.2	130.8	2.6
Motor Vehicle and Parts Dealers	17.1	16.4	4.3	17.0	16.3	4.3
Food and Beverage Stores	22.4	22.0	1.5	22.3	21.9	1.5
General Merchandise Stores	25.5	25.6	-0.4	25.5	25.6	-0.4
Transportation and Utilities	48.8	46.4	5.1	48.5	45.9	5.5
Utilities	4.0	3.9	2.6	4.0	3.9	3.3
Transportation & Warehousing	44.8	42.5	5.3	44.5	42.1	5.7
Air Transportation	6.9	6.7	2.6	6.8	6.5	4.2
Truck Transportation	17.4	17.0	2.0	17.3	16.9	2.2
Information	33.0	31.7	4.2	32.8	31.5	4.2
Publishing Industries	9.4	9.1	3.6	9.4	9.0	4.6
Motion Picture and Sound Recording	5.1	4.5	13.4	5.0	4.6	10.0
Telecommunications	5.8	5.8	1.1	5.7	5.7	1.1
Internet Service Providers	8.4	7.9	7.0	8.3	7.7	8.2
Financial Activities	69.4	66.3	4.7	69.1	66.0	4.7
Finance and Insurance	52.2	50.2	3.9	51.9	50.0	3.9
Real Estate and Rental and Leasing	17.2	16.1	7.1	17.2	16.0	7.2
Professional and Business Services	152.2	140.8	8.0	150.7	139.4	8.1
Professional, Scientific, and Technical Services	58.0	53.4	8.7	57.9	53.4	8.6
Architectural, Engineering, and Related	10.8	10.0	8.6	10.7	9.8	8.5
Computer Systems Design and Related	13.2	11.5	14.4	13.2	11.5	14.4
Management of Companies and Enterprises	20.9	20.8	0.6	20.9	20.8	0.5
Administration & Support						
& Waste Management & Remediation	73.2	66.7	9.8	71.9	65.3	10.1
Employment Services	24.5	20.5	19.8	23.8	19.8	19.8
Business Support Services	17.3	17.8	-3.1	17.4	18.2	-4.0
Education and Health Services	134.1	128.6	4.3	133.3	128.0	4.1
Educational Services	31.3	30.0	4.5	31.2	29.8	4.5
Health Services and Social Assistance	102.8	98.6	4.2	102.1	98.2	4.0
Ambulatory Health Care Services	39.1	37.2	5.0	38.8	36.9	5.0
Hospitals	29.7	28.8	2.9	29.4	28.6	2.9
Nursing and Residential Care Facilities	19.2	18.4	4.2	19.1	18.5	3.7
Social Assistance	14.8	14.1	4.9	14.8	14.2	4.0
Leisure and Hospitality	106.5	104.3	2.1	104.8	102.2	2.5
Arts, Entertainment, and Recreation	17.4	16.8	3.5	17.2	16.5	4.1
Accommodation and Food Services	89.1	87.5	1.9	87.6	85.7	2.2
Accommodation	17.5	17.2	2.1	17.1	16.7	2.9
Food Services and Drinking Places	71.5	70.3	1.8	70.4	69.0	2.0
Other Services	33.7	32.8	2.7	33.3	32.5	2.6
Government	208.2	204.9	1.6	207.5	203.9	1.7
Federal Government	35.6	34.8	2.5	35.4	34.6	2.5
Federal Defense	16.4	16.1	1.5	16.3	16.1	1.5
Other Federal Government	19.3	18.7	3.3	19.1	18.5	3.3
State Government	64.4	63.4	1.5	64.3	63.2	1.8
State Schools	36.0	35.3	2.2	35.9	35.3	1.5
Other State Government	28.3	28.2	0.6	28.4	27.8	2.1
Local Government	108.2	106.7	1.4	107.8	106.2	1.4
Local Education	64.2	63.6	0.9	64.0	63.4	0.9
Other Local Government	44.0	43.1	2.1	43.7	42.8	2.2

Source: Utah Department of Workforce Services f = forecast r = revised April 18, 2006

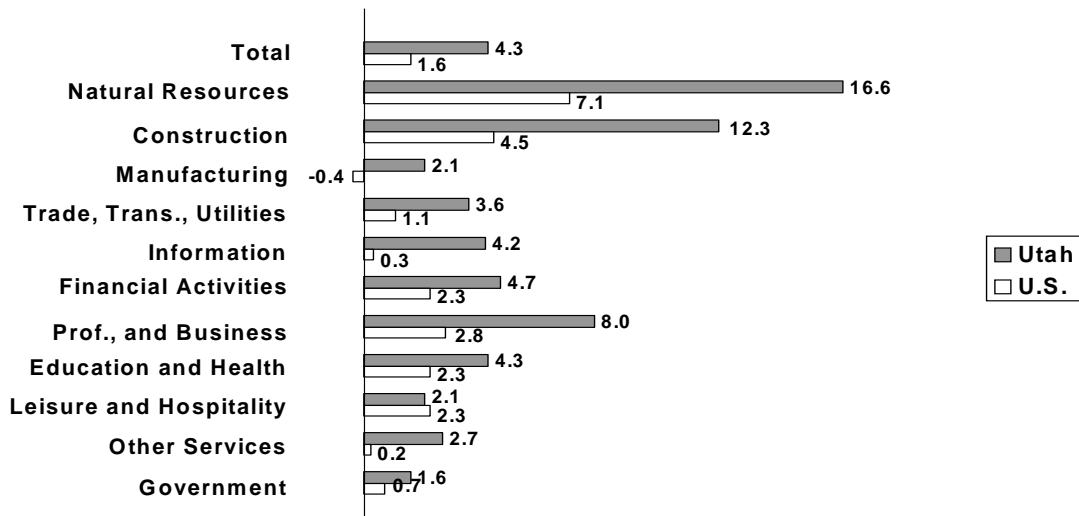
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

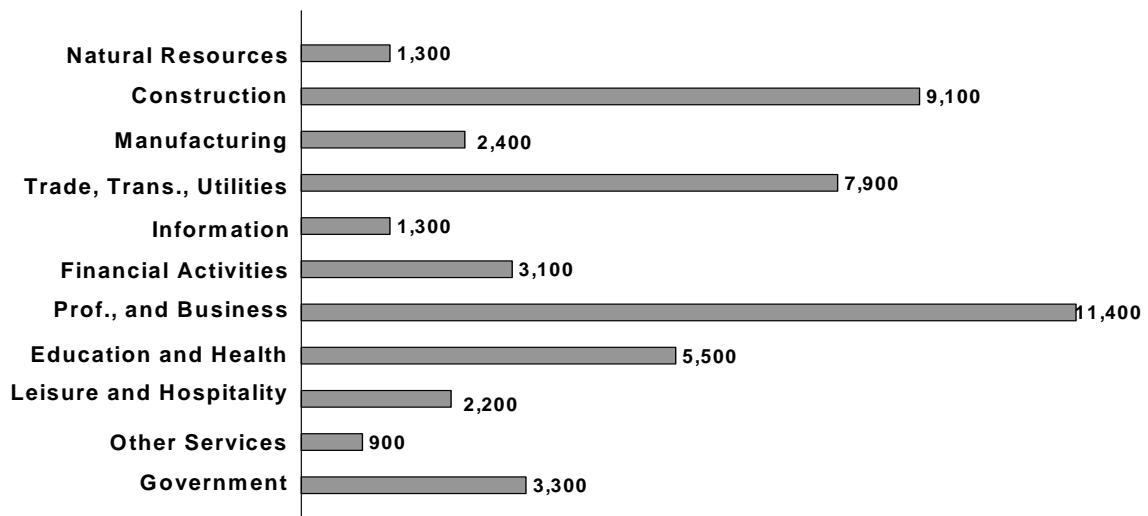


Utah – U.S. Nonfarm Job Growth (Percent Change) March 2005 – 2006



Source: Utah Department of Workforce Services

Utah Nonfarm Job Growth (Numeric Change) March 2005 – 2006



Source: Utah Department of Workforce Services

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	March 2006(f)	March 2005	Percent Change	Feb. 2006(r)	Jan. 2006(r)
State Total	1,176,837	1,128,423	4.3	1,166,791	1,161,138
Bear River	67,356	65,979	2.1	67,083	67,162
Box Elder	19,264	18,286	5.3	19,061	19,136
Cache	47,560	47,149	0.9	47,485	47,500
Rich	532	544	-2.3	537	526
Wasatch Front	770,534	743,165	3.7	764,957	762,639
North	188,924	184,758	2.3	187,376	186,390
Davis	95,715	93,092	2.8	94,919	94,679
Morgan	1,818	1,817	0.0	1,803	1,825
Weber	91,391	89,849	1.7	90,654	89,886
South	581,610	558,407	4.2	577,581	576,249
Salt Lake	566,434	544,935	3.9	562,767	561,757
Tooele	15,175	13,472	12.6	14,813	14,492
Mountainland	201,865	191,655	5.3	200,858	199,252
Summit	22,476	20,570	9.3	22,744	22,510
Utah	173,310	165,578	4.7	172,082	170,793
Wasatch	6,079	5,507	10.4	6,031	5,949
Central	23,117	22,357	3.4	22,714	22,541
Juab	3,134	2,985	5.0	3,132	3,070
Millard	3,938	3,801	3.6	3,818	3,813
Piute	287	311	-7.8	279	293
Sanpete	7,221	7,031	2.7	7,120	7,019
Sevier	7,561	7,327	3.2	7,465	7,443
Wayne	976	902	8.2	901	902
Southwestern	73,402	67,655	8.5	72,064	71,036
Beaver	1,987	1,900	4.6	1,954	1,927
Garfield	1,869	1,852	0.9	1,758	1,754
Iron	16,918	15,825	6.9	16,714	16,436
Kane	2,700	2,546	6.0	2,491	2,491
Washington	49,928	45,532	9.7	49,146	48,428
Uintah Basin	18,885	17,186	9.9	18,595	18,410
Daggett	384	363	5.9	368	365
Duchesne	6,156	5,580	10.3	6,029	5,945
Uintah	12,345	11,243	9.8	12,198	12,100
Southeastern	21,679	20,426	6.1	20,520	20,097
Carbon	9,402	8,764	7.3	9,271	9,151
Emery	3,823	3,646	4.9	3,719	3,699
Grand	4,635	4,234	9.5	3,859	3,646
San Juan	3,818	3,782	1.0	3,670	3,602

f = forecast r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 4/18/06